



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
PHILADELPHIA REGIONAL OFFICE  
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September 16, 2009

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Honorable Jan E. DuBois  
12613 United States Courthouse  
601 Market Street  
Philadelphia, Pennsylvania 19106

FILED

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MICHAEL E. NUNZ, Clerk  
By \_\_\_\_\_ Dep. Clerk

Re: SEC v. Michael A. Liberty, et al.  
Civil Action No. 06-1030 (E.D. PA) (JD)

Dear Judge DuBois,

I am providing you with this joint report on behalf of the plaintiff, Securities and Exchange Commission ("Commission"), and defendant Michael A. Liberty. As we have previously reported, these parties have reached an agreement in principle as to the terms of a settlement that the staff of the Commission is prepared to recommend to the Commission. As I noted in the last joint report submitted to the Court on June 17, 2009, additional time was necessary for the Commission staff to review and evaluate certain proposed information that Mr. Liberty provided to it on Monday, June 15, 2009 concerning his complex financial arrangements. Based on that information, the staff requested that Mr. Liberty provide updated financial information reflecting his current financial status. Mr. Liberty provided that information to the staff on July 21, 2009. The staff currently is in the process of preparing its recommendation to the Commission. However, additional time is necessary to complete that process and obtain Commission approval for the settlement. Under the circumstances, the parties jointly request that the Court continue this case for an additional 90 days, at which time the parties will again report to the Court regarding the status of the settlement.

Very truly yours,

s/

Kingdon Kase

cc: Ivan B. Knauer, Esquire (via facsimile)